

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT) CASE NO. 2012-00074
FILING OF MARTIN GAS, INC.)

ORDER

On September 30, 1991, in Case No. 1990-00402, the Commission approved certain adjusted rates for Martin Gas, Inc. ("Martin").¹ In November 2004, Martin proposed, and the Commission approved, changes to its tariff that included, among other items, changes to its Gas Cost Adjustment ("GCA") clause. Those changes updated the methodology of calculating the components of the GCA.

On March 2, 2012, Martin filed a GCA for rates to be effective April 1, 2012.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Martin's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Martin's notice sets out an Expected Gas Cost ("EGC") of \$5.0979 per Mcf, which represents an increase of \$.0235 from its prior EGC of \$5.0744 per Mcf.
3. Martin's notice sets out no Refund Adjustment ("RA") for the current quarter and no total RA, which is no change from the prior total RA.

¹ Case No. 1990-00402, In the Matter of Application of Martin Gas, Inc. for Authority to Adjust Rates and to Extend Current Surcharge (Ky. PSC Sept. 30, 1991).

4. Martin's notice sets out a current quarter Actual Adjustment ("AA") of \$.0008 per Mcf. Martin's total AA is \$.0143 per Mcf, representing an increase of \$.0001 per Mcf from the previous quarter total AA of \$.0142 per Mcf.

5. Martin's notice sets out no Balance Adjustment.

6. Martin's GCA is \$5.1122 per Mcf, which is an increase of \$.0236 per Mcf from its previous rate of \$5.0886 per Mcf.

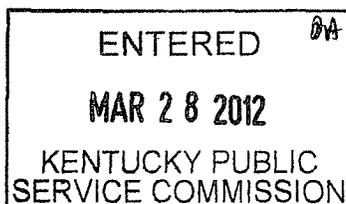
7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for billing for service rendered by Martin on and after April 1, 2012.

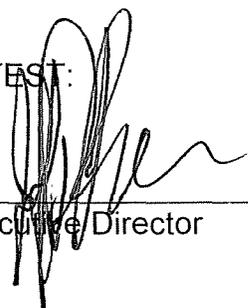
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix attached hereto and incorporated herein are approved for billing for service rendered on and after April 1, 2012.

2. Within 20 days of the date of this Order, Martin shall file its revised tariff sheets with the Commission setting out the rates authorized herein and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00074 DATED **MAR 28 2012**

The following rates and charges are prescribed for the customers served by Martin Gas, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RETAIL RATES:

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First Mcf	\$4.3976	\$5.1122	\$9.5098
Over 1 Mcf	\$4.2808	\$5.1122	\$9.3930
Minimum Bill	\$9.5098		

Kevin Jacobs
Martin Gas, Inc.
P. O. Box 783
Hindman, KY 41822